



CABLE TELEVISION ANNUAL REPORT 2004

James D. Brown, Jr., Executive Director • Anthony A. Williams, Mayor

District of Columbia
Office of Cable
Television and
Telecommunications
(OCTT)

WHAT'S NEW IN THE CABLE INDUSTRY

Where we are now... Cable TV in DC

In 1984, the D.C. City Council established the Office of Cable Television and Telecommunications and charged it with the responsibility of regulating and enforcing the city's cable law and its franchise agreements with cable service providers. The District has what is called the "franchise authority" to grant cable systems the right to operate in the city. This right is contained in the applicable franchise agreement, which authorizes the franchisee to serve the city in exchange for the promise to provide certain standards of service and to pay certain fees. For the privilege of serving the city and using public rights-of-way (streets, alleys, underground conduits, etc.), franchise holders pay the District 5% of their gross revenues.

Most cities in the United States are served by only one cable provider. The economics of wiring a community is very high and prevents more companies from coming in to challenge the incumbent provider. The District can boast being one of few cities where head-to-head competition exists; the District is served by both Comcast Cablevision of the District and Starpower Communications LLC. As a result of this competition, city residents benefit from diversity in programming, lower prices, faster delivery of advanced services such as HDTV and digital video recorders, and better customer service than residents in other cities. For example, after Starpower entered the DC market in 1998 and began offering high-speed cable modem service and digital cable services with numerous additional channels, Comcast shortly thereafter in 2001 began to upgrade its facilities in order to re-

main competitive. As a result, District residents now access up to 280 to 350 channels, depending on the cable provider. The incumbent franchisee also solved system quality issues in other ways. Comcast's predecessor, AT&T, discovered that in certain areas of the city, certain channels appeared to have another version of the channel looming in the background creating a visual effect called "ghosting". To solve the problem, AT&T moved the problem channels NBC4, Fox5, ABC7 and CBS9 from their traditional channel assignments 4, 5, 7 and 9 to 24, 25, 27 and 29, respectively. Comcast purchased the District system from AT&T in January 2001 and has continued this alignment.

WE'VE COME A LONG WAY BABY

	1986	2003
Franchise Fees:	\$187,500	\$4,250,000
Cable customers:	Several Hundred	130,000
Number of Channels:		
(Starpower)	n/a	up to 298
(Comcast)	48	up to 350
	(District Cablevision)	

Written by
Jeneba Jalloh Ghatt
Assistant General Counsel

September 30, 2004

Also as a result of robust competition, the District is considered a premiere cable television market and thus city residents have been one of the first in the country to have access to new technologies such as high definition television, video-on-demand and digital video recorders. Comcast and Starpower both offer customers up to twelve high definition stations, including ABC, CBS, NBC, Fox, PBS, ESPN, Showtime, and HBO. Other areas of the country are still awaiting such options. On both District systems, customers can take advantage of video-on-demand options. Comcast offers digital video recorder services and Starpower will add that option soon.

Continued on page 3.



From the Director

The cable industry has outdone itself in 2003 with the introduction of expanded services including DSL downloads at incredible speeds, video on demand (VOD) that provides a wide range of options for customers' delight, and picture images that make you feel you can touch the world. We are proud to witness these exciting innovations in the cable

industry. As the industry changes and grows, OCTT takes pride as the regulatory entity that assures the ushering in of additional services and products that benefit the approximately 130,000 (... and growing) cable subscribers in the District. District residents benefit from robust competition in the market in that they are often among the first in line to benefit from new and innovative equipment and services.

In OCTT's 2003 Annual Report, we reported that the number of District residents subscribing to high-speed Internet increased from 2001 to 2002. The numbers continued to rise through 2003, as Comcast completed its upgrade and began competing with Starpower in offering cable modem services to District residents. Approximately 6,400 city residents took advantage of the new high speed internet offered for the first time by Comcast in 2003. Meanwhile, Starpower sustained a 51% increase in high speed internet customers between 2002 and 2003. This rapid increase indicates city residents are taking advantage of new technologies, and we hope that the District will continue to be one of the premiere markets for initial roll-out and deployment of new services and products as they become available in the coming years.

Finally, in keeping with the theme of "changes", OCTT has also moved from its headquarters location at 2217 14th Street NW, where City Cable channels 13 and 16 have originated for approximately fifteen years. In September 2004, the office relocated to office and television production space at 3007 Tilden Street, NW. Technology is constantly changing within the audio, video and broadcast markets which present a unique challenge to OCTT. We have been able to meet that challenge by working directly with manufacturers and their technical representatives to plan our new facility.

The new site will accommodate the growing television production needs of City Cable 13 and 16, permit the channels' access to newer technologies to better serve city residents, allow the agency to better regulate the growing cable television industry in the District and continue to permit our consumer services team to handle your inquiries regarding cable television. We are here to serve you. You can still reach us at our popular website address, www.octt.dc.gov, or by calling 202-671-0066.

Again this year, our programming offerings through city Cable 13 and 16 have been recognized by several competitions. These awards are detailed in the programming section of this report. Also, in this annual report, we provide updates and reports regarding OCTT's regulation of cable television in the District, its enforcement of District and federal cable laws and regulations, and its management and operation of City Cable 13 and 16. I hope you enjoy reading it.

A CABLE FRANCHISE UPDATE

**HOT OFF THE
PRESSES:**

The city is one step closer to adopting a long-term franchise agreement between it and the second provider of multi-channel video programming (cable television) in the city, Starpower Communications. Starpower entered the District market in 1998 and currently provides cable television service to approximately 33,000 District households, compared to 100,000 for Comcast. Starpower was also the city's first provider of high-speed cable modem service and by the end of 2003, provided cable modem service to approximately 15,000 District households.

A lot has gone on since the city revamped its cable laws in 2002 and adopted the Cable Television Reform Amendment Act of 2002. As reported last year, the City formally renewed Comcast's franchise in October 2002 for ten years pursuant to a new cable franchise agreement. The next step in the process to ensuring stable competition was negotiating a similar agreement with Starpower, which has been serving the city based on an interim agreement since 1998. Over the past eighteen months, OCTT has been busy negotiating a franchise agreement to submit to the Council and preparing for Council approval of the Starpower franchise. The franchise agreement includes similar terms as the Comcast franchise agreement, with Starpower obligations to pay franchise fees to the District, to provide financial support for the District's public, educational, and government channels, including the Public Access Corporation, and to provide certain levels of customer service to District residents. Starpower provides service to approximately eighty percent of District residents and due to economic restraints, Starpower cannot commit to buildout obligations during their franchise term. The proposed franchise is only a five-year franchise rather than ten years as was granted to Comcast in 2002.

In May 2004, the City Council's Committee on Economic Development held an informative public hearing regarding the proposed franchise, complete with testimony from OCTT, Starpower, Comcast, consumer groups, and the public. On July 13, 2004, the committee voted 4-0 to approve the Starpower Communications, LLC's Open Video System Franchise Act of 2004. The full Council will consider the act and franchise in fall 2004.

FRANCHISE

"What's New..." Continued from page 1.

Today, Comcast and Starpower each currently hold non-exclusive franchises to serve the entire city. Starpower is available to approximately 80% of District residents, and is for the most part unavailable to residents living in the "fire zone" area of the District, a part of the city where Starpower cannot legally install aerial facilities (all or parts of the following neighborhoods: Adams Morgan, Capitol Hill, Columbia Heights, Dupont Circle, Eckington, Foggy Bottom, Georgetown, Le Droit Park, Mount Pleasant, Shaw, Southwest, Trinidad, and Woodley Park).

In 2003, Starpower served approximately 33,000 District residents and Comcast served approximately 100,000. The District looks forward to even more competition in the cable television landscape. Should other cable television providers wish to offer services in the District, the city is open and willing to negotiate separate competitive franchise agreements with such providers.

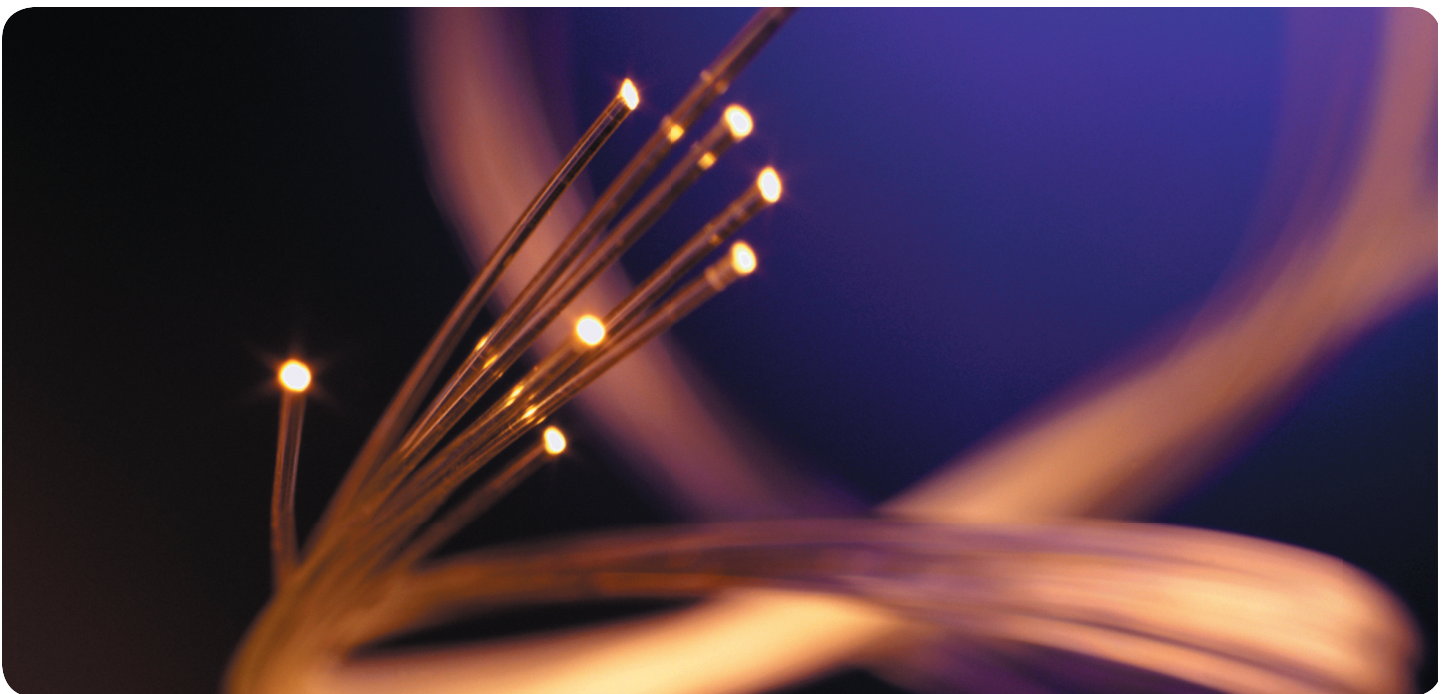
Where we are heading...

The city has come far from its early days when far fewer residents received cable television in their homes and there were far less programming choices, services and options. Hopefully, more competition is looming ahead in the future, especially given a recent trend where cable and telephone companies are mixing business models and getting into each other's traditional markets. Cable companies are starting to get into the telephone business and offer services traditionally only available from telephone companies and vice versa.

Starpower already offers phone service to District residents. Comcast is making steps to roll out phone service to its customers nationwide. Ahead on the horizon, a different kind of phone service, using the Internet rather than the tradi-

tional public telephone system, is slowly becoming available through more cable companies. Comcast is gradually rolling out a technology called voice-over-Internet telephony (or VOIP), which turns voice calls into digital packets for dispatch over the Internet. With VOIP, Internet telephony customers may benefit from a less expensive service compared to that offered today by the traditional telephone companies. Because the technology is in its early stages, cable companies are now only offering them to certain test areas. Comcast, for example first tested its VOIP service in suburban Philadelphia, but recently expanded to include Indianapolis and Springfield, Massachusetts. Time Warner Cable has been offering VOIP service to residential users in North Carolina and parts of Maine. Eventually, more companies will be able to sell cable television, telephone service and broadband connections in one bill, and we hope that the competition will continue to result in lower prices, more options and flexibility and increased customer service.

Telephone companies are responding to the competitive threat of cable companies and other technology companies penetrating their market by announcing their own plans to offer cable-like multichannel video services. If Verizon and other traditional telephone companies indeed start offering the service, it is possible that they may operate as an open video system (OVS) operator, which is a method similar to traditional cable but different only in that federal law mandates that it be regulated differently. Starpower currently offers its service as an OVS. Telephone companies are pursuing other strategies for offering video services. They have been partnering with direct broadcast satellite (DBS) operators, offering video services over DSL networks, and constructing fiber networks to customer premises, known as fiber-to-the-premises (FTTP).



CABLE INSPECTOR REPORT

DC's First Cable Inspector: *The inspector is a member of OCTT's regulatory staff who monitors cable operators in the District to ensure compliance with various regulations, codes and the obligations contained in the franchise agreements the District has with Starpower Communications and Comcast.*

It's been a busy year for OCTT's cable inspector. Since the office hired its first cable inspector in late 2002, OCTT has been better able to respond to resident complaints regarding the maintenance of cable wires and other facilities in the District.



Cable Inspector Mabel Gist investigates a down wire.

The process of tracking down violations

Over the past year, OCTT has taken calls from residents reporting irregular activities by cable construction workers or technicians, dangling cable wires or other irregularities. Other times, a council member or member of the mayor's office staff calls OCTT to follow up a call he or she may have received from a constituent. Many times, the inspector discovers problems during routine rounds touring the city looking for potential hazards and violations. Nonetheless, when a problem is initiated by an outside caller, the inspector is dispatched to investigate and document the scope of the problem, which may include taking a picture and documenting other circumstances regarding the issue. OCTT's cable inspector then contacts the offending cable provider and notifies the company of the immediacy of the problem and the need to correct the infraction. OCTT follows through with the operator until the problem is resolved and re-surveys the problem to ensure successful remediation.

All violations are captured in an OCTT database that includes photos of all violations found, identification and explanation of each type of violation and the location of all violations by street address.

Recently, OCTT acquired equipment which identifies and measures leakage due to cable theft, improper installations and poor connections that could result in picture quality problems. Using this equipment, the inspector can evaluate the performance of the cable system and to ensure compliance with FCC technical standards for signal leakage (FCC 76.605 (a)(12)).

Even though OCTT has the authority to impose fines if an operator fails to cure a violation, it has not had to wield such power in many cases because the operators have generally been responsive in correcting problems in a timely manner. In 2003, the inspector investigated and followed up on over 300 technical problems. Without a cable inspector, a local franchising authority such as OCTT would not be able to survey and follow up on so many technical issues so quickly. Having a full-time cable inspector on board has allowed OCTT to ensure prompt remediation of technical system issues and thus work towards a cleaner city and better cable service for all District residents.

The inspector ensures that cable companies are complying with certain regulatory codes, including...

CODES	PURPOSE
The National Electrical Safety Code	The industry-accepted safety standard for overhead and underground electric utility and communications utility installations
National Electrical Code	A nationally recognized safety standard for the design, construction and maintenance of electrical circuits
Bellcore Blue Book	Manual of construction procedures



DEFINING THE TYPES OF VIOLATIONS

Construction Violations

Construction violations accounted for 27.6% of all 2003 violations, or 89 citations. These violations include problems with guying and lashing. Lashing is a wire wrapping that tightens and holds the cables together and prevents them from sagging and falling to the ground. The guy wires help support the utility poles bear the weight of the plant (the collection of cables attached to utility wires along the streets).

Subscriber Drop Violations (Down or Low)

Subscriber drop violations accounted for 54.4% of all 2003 violations, or 175 citations. Drop related problems include cable lines exposed and disconnected above ground that must be repaired. These violations also include cables not properly connected to a utility pole or the house or building onto which the cables are affixed. Many of the violations involved cases where coils of leftover unused cable were left lying at the base of the pole rather than removed. The extra coils create a safety hazard. In addition, low or down cable drops often cause neighborhood concern. Down power lines obviously create a safety concern and since utility poles usually carry power, telephone and cable lines, the public often cannot determine which type of line is down.

Other Plant Issues

Other plant issues accounted for 4.7% of all 2003 violations, or 15 citations. These issues included instances of cable installation on private property, public utility easement issues and rights-of-way issues. Generally, residents reporting these types of problems have concerns over the authority of the cable operator to have its equipment and wires on or near their homes or property.

Non – Cable Issues

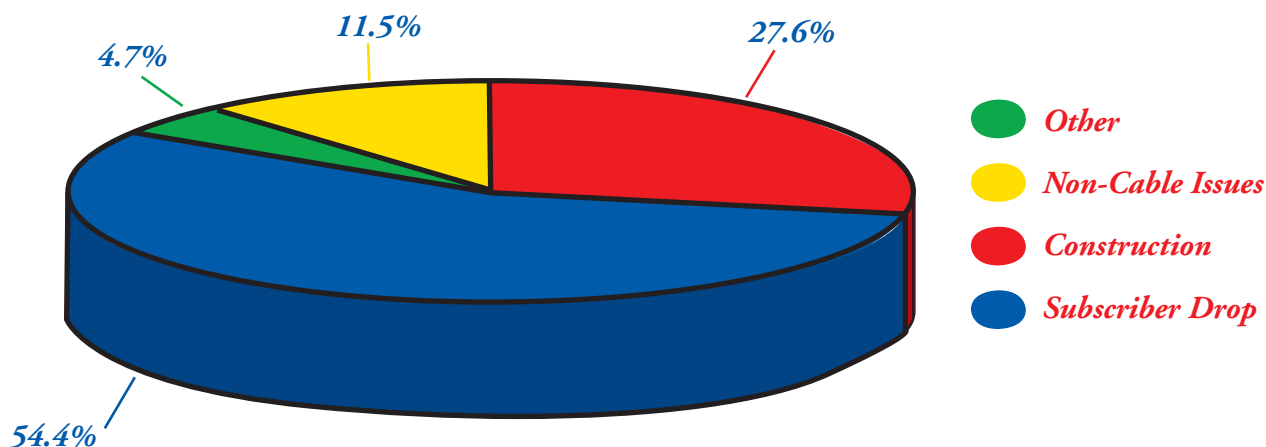
Non – cable issues accounted for 11.5% of all 2003 violations, or 37 citations. These issues are not considered cable violations but could affect the performance of the cable system. There were many cases of trees that had not been properly maintained by the District or private homeowners. Generally, tree limbs or whole sections of trees had grown out of proportion and encroached upon the cable lines, causing additional stress to cable lines not designed to support such additional weight. Without correction, the lines could become damaged, break or even lead to outages. Non-cable issues also include instances in which upon inspection, it is discovered that the wires or cables at issue actually do not belong to Starpower or Comcast but instead to another utility or governmental entity, such as Verizon, PEPCO or the D.C. Department of Transportation. OCTT, of course, forwards these issues along to the proper party for resolution.

TABLE 1

This table summarizes the types of violations investigated and the total number of each type of violation in 2003 by OCTT, including some that have been identified as belonging to other utilities, such as Pepco and Verizon.

2003 Inspections

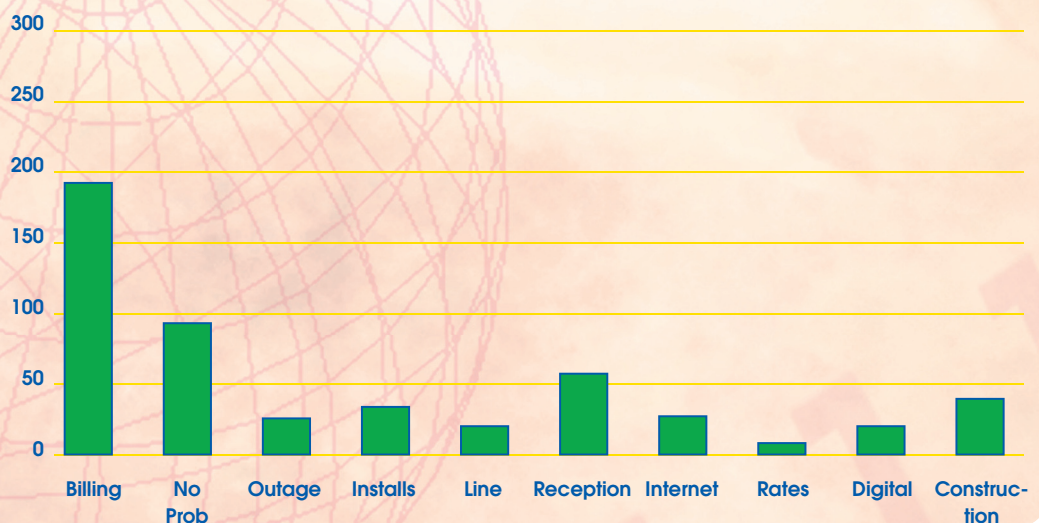
Type of Violation	Number
Down Drop	131
Construction Violations	89
Low Drop	44
Non Cable Issue	37
Other Plant Issues	15
Total	316



Did you Know...

- ✓ you have a right to a service or installation window of NO MORE than FOUR hours?
- ✓ you are entitled to have your cable installed within SEVEN DAYS of placing an order?
- ✓ your cable provider must notify you of any scheduled interruption of service at least 48 hours in advance?
- ✓ you can send a complaint about your cable service to OCTT through our website, www.octt.dc.gov, and you can even send it in Spanish?
- ✓ if your cable company arrives late or not at all to complete a service installation or upgrade, the cost of the installation is free?
- ✓ if you speak Spanish, you have the right to speak to a Spanish-speaking service representative of your cable operator?
- ✓ City Cable 13 and 16 are provided exclusively to District cable subscribers? You can receive City Cable 13 and 16 via Comcast or Starpower in the District, but not in surrounding communities via cable television, and not on satellite operators DirecTV or the DishNetwork even if you live in the District.
- ✓ senior citizens who subscribe to expanded basic cable service through Comcast are eligible for a \$2.75 discount per month?
- ✓ you can view D.C. city council meetings and hearings on City Cable 16, via www.octt.dc.gov in real-time or on-demand for previously-aired hearings, or by ordering a specific meeting or hearing tape at OCTT's website?
- ✓ Comcast and Starpower have special hiring and apprenticeship programs for DC residents?
- ✓ District cable customers were among the first to receive high-definition television channels and now are among the earliest recipients of DVR's (digital video recorders)?
- ✓ OCTT mediates disputes and problems involving your cable bill, service charges, late fees, automatic billing and more?
- ✓ Comcast's upgrade of its District cable plant, originally built in the mid 1980's, is nearly complete, resulting in approximately 76 analog channels, a digital cable tier of over 200 channels, numerous HDTV channels, and high-speed cable modem service?
- ✓ the District is one of the nation's leading examples of head-to-head cable competition, with Comcast (100,000 customers) and Starpower Communications (33,000) splitting the District cable population?
- ✓ District of Columbia residents enjoy a luxury witnessed by few municipalities – not one, not two, but three choices for broadband: Comcast high-speed Internet, Starpower high-speed Internet and Verizon DSL?
- ✓ OCTT generated approximately \$21,000 in refunds for District Comcast customers as a result of the agency's annual analysis and review of Comcast's rates for basic service and equipment?
- ✓ OCTT's audit of franchise fees paid by Comcast to the District during 2002 and 2003 resulted in an additional Comcast payment to the District of approximately \$63,000 in December 2003?
- ✓ if better reception is your main reason for subscribing to cable television, you have a right to insist upon receiving only the low-cost BASIC tier, which includes, among others, the broadcast channels and the public, educational, and governmental channels, for approximately \$13 from Comcast?
- ✓ in 2003, OCTT handled 599 consumer service complaints regarding Comcast and Starpower and 316 technical cable inspector issues?

CUSTOMER COMPLAINTS RECEIVED BY OCTT IN 2003



ALL ABOUT PEG

What is PEG access?

PEG stands for public, educational and governmental cable television channels. In cities and counties around the country, including the District, local cable television operators, but not satellite operators such as DirecTV and the Dish Network, transmit anywhere from one to ten or twenty PEG channels. PEG access television channels serve a wide range of individuals, institutions, associations, community groups and municipalities, both directly and indirectly, including cities and counties, organized public access television groups, the Lions, Kiwanis and Rotary Clubs, the League of Women Voters, NAACP, AARP, the Urban League, public schools, local chambers of commerce, religious institutions, colleges, universities, community theatre groups, labor unions, veterans groups, second language communities, the disabled, politicians, and political organizations. See Alliance for Community Media's home page, www.alliancecm.org, for more detailed information.

Who created PEG access?

Congress passed a law, the 1984 Cable Act, which included provisions permitting local governments to require PEG access and support in their franchise agreements with cable television franchisees. Congress did so to ensure that large media companies could not control all of the programming seen on cable television and to provide an opportunity for local community representatives to have a voice on their local cable systems.

It has been stated that requiring cable operators to provide capacity on their systems to accommodate PEG stations is partial compensation for the cable companies' use of public rights-of-way (streets, highways, parks, and other government-owned property) to place their cable infrastructure and provide their services to residents.

How many PEG stations are currently available in DC?

Currently, District cable customers can access six PEG channels on the Starpower and Comcast systems as part of the basic services offered by both operators. D.C. government's Office of Cable Television and Telecommunications (City Cable 13 and City Cable 16), the Public Access Corporation (public access channels Comcast 5 and 6 or Starpower 10 and 11), the D.C. Public Schools (DCPS TV 28; Channel 18 on the Starpower system), and the University of the District of Columbia (UDC TV 19) operate PEG channels in the District.

What are PEG Access Fees?

PEG access fees are fees imposed on the cable operators by the District government for capital support of the District's

PEG channels. Comcast and Starpower elect to pass this fee along to subscribers as a separate itemized amount on their monthly cable bills.

Is there capacity for more PEG stations?

In the Comcast franchise agreement approved by the Council in 2002 and the Starpower franchise agreement currently before the Council, there are provisions which require Comcast and Starpower to provide the District with two additional PEG analog (basic) channels and numerous PEG digital channels. In 2003, OCTT proposed and the City Council approved regulations and procedures for applications regarding, and allocation of, these additional PEG channels. We look forward to the launch of these additional channels in the coming years.

PEG ACCESS CHANNELS		
	Comcast	Starpower
UDC	19	19
D.C. Public Schools	28	18
Public Access (DCTV1)	5	10
Public Access (DCTV2)	6	11
City Cable 13	13	13
City Cable 16	16	16

Can District residents put on their own PEG programming?

Yes. The Public Access Corporation of the District of Columbia (DCTV; 202-526-7007) provides access to the city's cable television systems to individuals, organizations, and businesses that need and seek a forum for public expression, community information, and public debate. At its state-of-the-art digital facility at historic Brooks Mansion, 901 Newton Street, NE, Washington, D.C., the Public Access Corporation offers training and access to three studios, editing, and field production equipment, and production services. Programming is cablecast to all District cable subscribers via the Public Access Corporation's two cable channels.

Where can I find the PEG stations on my cable television?

Please note that the District's PEG channels are only offered on the Comcast and Starpower systems in the District of Columbia. Local municipalities do not regulate satellite TV operators, such as DirecTV and the Dish Network, and cannot require them to offer the PEG channels.

WHAT'S OLD AND NEW

Part of our mission at OCTT is to educate the public on the benefits and uses of cable television. Below is a listing of what's hot and not in the cable industry today.

What's Old

Pay-Per-View

A service that offers movies and events that you can watch at specific times for an additional charge. Pay-Per-View movies and programs are available on several channels operating 24 hours a day. The cost of the movies varies and ordering usually requires a customer to call a specified number or order using a digital remote (if the customer has digital service). The customer then tunes into the specified channel at a scheduled time.

Cable Boxes

Cable Boxes, or converters, operate like mini-computers in the subscriber's home. The boxes sit ontop of the television set and need a separate remote other than the one that comes with the television set. They help to ensure that only customers paying for certain services, such as Showtime or HBO or certain tiers of service such as digital channels, are receiving them. These boxes have become obsolete recently with the invention of "cable ready" television sets a few years ago, whereby cable customers need only plug in the cable wire to the back of the television and access the cable channels using the standard remote that came with their television set.

Dial-up Internet

The traditional method of accessing the Internet using a modem linking the computer and the telephone lines. To access the internet using this method, customers needed to sign up for a separate service from an internet service provider, in addition to purchasing a modem. Customers connected to the Internet by "calling it up" on the telephone via a modem at each end of the telephone circuit. Dial-up speed is typically 56,000 bits-per-second (56kbps). Because of this speed which is not particularly fast, users found it took lots of time to download image files, software, music files or anything else that required lots of memory.

Basic Cable Service

Primary level or levels of cable service offered for subscription. Basic cable offerings may include retransmitted broadcast signals as well as local and access programming. In addition, regional and national cable network programming

What's New

Video on Demand (VOD)

A service whereby customers can order a particular movie or program and then play, pause, fast-forward and rewind programs just like with a VCR during the "rental" period. It eliminates the need to go to the video store and check out a tape. Subscribers can order programs via video-on-demand at any time and for long "rental" periods, unlike pay-per-view programs, which are offered at specific times and only for the duration of the program.

Cable Cards

Credit card-sized devices that can be plugged into slots on new television sets for access to encrypted digital programming. As of July 2004, federal law requires that at least half of all televisions produced that are 36 inches or larger will have to include digital tuners and slots for cable cards. The cards will be offered at a nominal fee by cable companies and will contain all the information related to the cable services for which you subscribe. In addition to eliminating clunky set-top boxes, the cable card technology is meant to help bolster television sales and motivate consumers to sign up for digital services. Currently, the cards are only one-way, but cable operators and electronics manufacturers are currently working towards developing two-way cards.

Broadband High Speed Internet

"Broadband" refers to a specific form of high-speed Internet access. It allows customers to both receive and send data at super-fast speeds and never ties up the phone line. No more busy signals or unexpected disconnects. Broadband Internet service is high-speed. Cable modem Internet service is delivered through the same coaxial cable that delivers your cable television service. Nearly 60 percent of all U.S. homes receiving broadband get it from their cable television provider, while the rest of the country use digital subscriber lines (DSL) connections from telephone companies. DSL services generally max out at 1.5 mbps (mega-bits per second), while Comcast Internet access speed is 3 mbps and Starpower offers speeds up to 7 mbps.

Digital Cable

Digital Cable is an expanded level of cable service which offers customers more programming choices and better picture and sound quality. In addition, customers are able to navigate the over 150 channels using a multi-function

may be provided. For instance, Comcast's basic cable service tier includes both the broadcast channels (i.e., channels NBC4, FOX5, ABC7, CBS9, UPN20, etc.) and the PEG channels and consists of approximately thirty channels in all.

remote control and on-screen guides. Digital cable comes at a much higher cost than basic cable. Cable companies offer additional layers or tiers of digital cable which may include packages of similar programming like music, cooking, home design, etc.

Video Cassette Recorder (VCR)

Traditional method of recording and viewing television programming using a VHS cassette. Typically, only one channel could be recorded at a time on one channel. Those who used this method of recording their favorite television shows usually amassed a collection of tapes. The quality of the recording would degrade each time the tapes were re-used. There was no seamless way of skipping over commercials if the taping was done while the viewer was not at home.

Digital Video Recorders (DVR)

Unlike a VCR, this device permits users to record images and video digitally and the image quality remains the same no matter how many times the image is copied over. These devices are more precise when it comes to timing the copying of a program and users can copy multiple programs over multiple channels. In addition, a DVR often saves video to a buffer, which enables viewers to skip commercials, pause, fast forward and rewind a live broadcast or replay video from the buffer.

Paper billing

Process of getting a cable bill in the mail, writing a check payment and sending the bill back in the mail.

On-line bill payment

Method of payment whereby customers receive electronic versions and pay also using electronic payment methods.

Basic remote control

Basic device which sent infrared signals to the television set for purposes of changing channels. Traditionally, each device (e.g. TV, VCR, DVD player) required its own remote control. These could not be used for interacting with the device other than sending one way signals.

Multi-function remote controls

Combination remote controls that permit users to control cable, television, DVD players, and VCR's from one device and to communicate interactively with the cable company for ordering pay-per-view or video on demand services.

Traditional Parental Controls

Send the kids to their rooms or disconnect the cable box and lock it in a cabinet when you go out.

Digital Parental Control

Cable TV converters have a feature that permits parents to lock out certain channels.

Analog and Digital Programming

Analog programming is the traditional method for cable companies to transmit television signals via coaxial cables to you and others in your neighborhood. Television video information transmitted through analog uses a continuous signal. It usually takes more space and is dedicated, as opposed to discrete quantities of signals used in digital transmission. Digital programming is a method by which cable companies transmit programming to customers using digital compression technology, but does not involve any difference in the quality of the signal received by the viewer.

High Definition Television (HDTV)

Advanced high quality television through provision of up to 1080 lines of horizontal resolution versus 480 for a regular television set. These additional lines make the picture six times as sharp and result in a noticeable quality difference. To get HDTV channels, you will need a television capable of displaying 1080i or 720 p formats and a set-top box from your cable provider to process and output the HDTV signals.

Both Starpower and Comcast offer broadcast channels CBS, NBC, ABC and PBS, as well as HBO and Showtime, in high definition format. Both companies require customers to pay a monthly fee for a converter box containing an HDTV tuner and offer a tier of HD channels including ESPN and Comcast SportsNet that can be purchased as a package.

PROGRAMMING HIGHLIGHTS

It has been another successful year for City Cable 13 and Cable 16! Throughout the year, City Cable 13 has continued its practice of providing live gavel-to-gavel coverage of all activities of the D.C. City Council and its various committees, including recorded coverage in the case of overlapping meetings. In 2003, City Cable 16 continued showcasing its line-up of informative, creative programming focused on education, housing, healthcare, the environment, economic development, and arts and entertainment in the District. And of course viewers can also watch all OCTT program, both live and on-demand, at our agency website www.octt.dc.gov.

The programming team at OCTT is always looking for ways to grow and improve upon our quality programming. As a result, viewers may have noticed new additions and changes to the City Cable 16 line-up. Two new programs were introduced: WDC Boxing and DC Chamber Chat. Meanwhile, City Line has recently changed formats to focus on the city's effort to crack down on crime in the District. So far, viewers have given thumbs up to the new additions.

OCTT has gotten positive feedback from viewers who have watched WDC Boxing, an action-packed, hour-long sports program that showcases some of the most talented up-and-coming boxers from the District and beyond. The show features both men's and women's boxing in the District, from flyweight to heavyweight.

Similarly, DC Chamber Chat is also creating a buzz among members of the city's business community. The host of the show is DC Chamber of Commerce President and CEO Barbara Lang, who interviews guests and provides insight on a variety of issues impacting business in the District. This 30-minute round-table show informs the community of important issues impacting local residents, businesses, and visitors. In addition, each show highlights certain Chamber members who are promoting business in the District.

OCTT anticipates a positive response to new episodes of City Line which began in early September 2004. The newly reformatted City Line will explore the District's "hot spot" problem areas and what the District government, community leaders and ordinary citizens are doing to transform them. The stories covered in this show delve deeper than the level of coverage crime reports receive on the evening news and in the metro pages of our local newspapers. City Line's inspiring new episodes spotlight not only the challenges, but also the plans, progress and solutions that go unreported in the media.

DC viewers aren't the only ones taking note of City Cable 16's programming.

OCTT was again recognized in six award categories at the 18th annual Government Programming Awards presented by the National Association of Telecommunications Officials and Advisors ("NATOA") this past September 2004.

OCTT's productions of "WDC Boxing Open" and "Capital Cinema" placed first in the visual arts and community awareness programming award categories, respectively. In addition, the District's City Cable 16 received an honorable mention award in NATOA's most prestigious award category, the overall Excellence in Government Programming award for large municipalities.

Furthermore, the District's City Cable 13 and 16 received the following awards in several other categories:

"WDC Boxing" (Category: Sports)

"Walter Washington: Champion of Democracy" (Category: Documentary - Social Issues)

"Your DC Today: 2003 Fed Cup" (Category: Documentary - Event Coverage)

"WDC Boxing Promo" (Category: Event Promotion)

"Be Ready DC" (Category: Promotional Video Campaign)

"Council Hearing" (Category: Public Community Meetings)

OCTT also received two awards of distinction in the 2004 Videographer Awards Competition, an international awards program directed by communications professionals to honor excellence in video production. OCTT's InStyle Washington: Music Makers episode and the City Line: Sickle Cell program were both honored in the competition.

Finally, OCTT recently won two categories in the 2004 Hometown Video Festival presented by the Alliance for Community Media. The Hometown Video Festival honors and promotes community media and local cable programs that are first distributed on public, educational and government access cable television channels. A documentary special about the historic U Street neighborhood of Washington called Remembering U won in the Local Performances category and the episode of Your DC Today that covered the 2003 Fed Cup tennis tournament won in the Sports Entertainment categories.



ASK THE MAYOR

See the best radio on television! DC Residents call in live to WTOP Radio's monthly program, *Ask the Mayor*. What you hear is what you get - live and unedited! Topics include the school board, the control board, and everything in between. The televised radio show is hosted by WTOP's Bruce Alan, features a rotation of esteemed journalists from the region, and is televised exclusively on Channel 16.



HEALTH MATTERS

Health Matters is a thirty-minute show devoted to educating District residents about important health issues, and more importantly, how to prevent and control disease. A nutritionist, Dr. Rovenia Brock, hosts the show.



CITYLINE

Discover how D.C. is cracking down on crime in our communities on City Cable 16's *City Line*. Tune in each month as the show explores the District's *hot spots* and what government agencies, community leaders and ordinary citizens are doing to transform them. *City Line*'s inspiring new episodes spotlight not only the challenges, but also the plans, progress and solutions that go unreported in the media.



DC IN ACTION

Programs focus on the top events and stories of D.C. Features include everything from politics to the arts. From the revitalization of East of the River and the digital divide, to improved DMV customer service, watch *DC in Action* for Mayor Anthony Williams' plan to tackle the issues. *DC in Action* airs regularly throughout the day on Channel 16.



ASK THE CHIEF

Much like *Ask the Mayor*, this monthly call-in show features Police Chief Charles Ramsey as he answers the concerns of DC residents regarding crime and public safety on WTOP Radio. Previous episodes include discussions about crime, relations between police and the community, and solutions to traffic headaches in the District. This radio talk show is televised exclusively on Channel 16.



REPORTER'S ROUNDTABLE

Tune in to *Reporter's Roundtable* for in-depth discussions by some of Washington's most respected journalists. Hosted by Denise Rolark Barnes of *The Washington Informer*, the show tackles the top news items affecting District residents. Viewers will hear issues addressed from every perspective by panelists like Hamil Harris of *The Washington Post* and Deborah Simmons of *The Washington Times*. The show takes you beyond the local headlines as these journalists debate what's in the news and how it will impact DC residents.



CAPITAL CINEMA

Lights, camera, action! Find out on *Capital Cinema* why Washington is playing a starring role in Hollywood filmmaking. Host Ferman Patterson gives viewers a behind the scenes look at why the District is a multi-million dollar cinema city. Each month *Capital Cinema* covers major studio films and TV programs produced in Washington and spotlights the work of local independent filmmakers, talent, crew and production services in the city. This new program provides a fascinating look at how you can break into the business with advice from directors, producers and various industry representatives.



IN STYLE WASHINGTON

With style, elegance and sophistication, hostess Gwendolyn Russell gives City Cable 16 viewers the ultimate tour of Washington's finest hotels, restaurants, boutiques and events. Tune into *In Style Washington* for your very own passport to impeccable service, luxurious accommodations and exquisite cuisine. You also don't want to miss any of the famous faces and glamorous places featured in each exciting episode of *In Style Washington*.

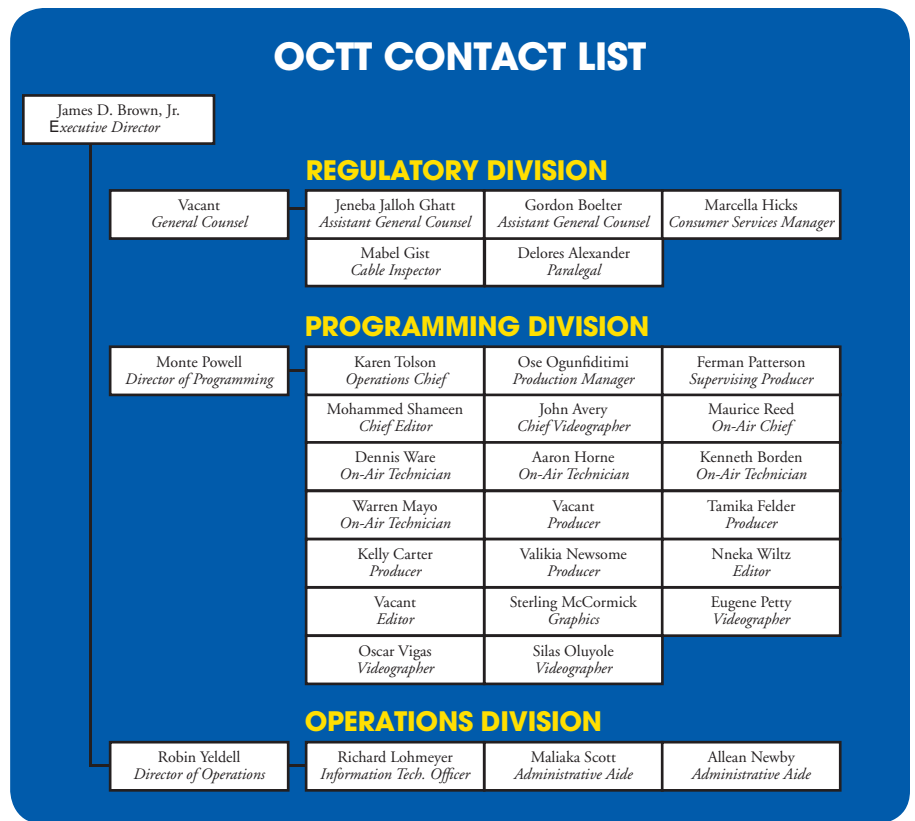


**GOVERNMENT OF THE
DISTRICT OF COLUMBIA
OFFICE OF CABLE TELEVISION
AND TELECOMMUNICATIONS**

**3007 TILDEN STREET, NW
WASHINGTON, DC 20008**

202-671-0066

WWW.OCTT.DC.GOV



CONSUMER'S BILL OF RIGHTS

As a District cable television consumer, you have the following rights:

- Consumers are entitled to receive high-quality cable television service, including a clear picture and programming that meets consumer needs.
- Consumers should expect to be notified at least 48 hours in advance of any scheduled interruption of cable television service.
- Consumers have the right to receive dependable service, free of unnecessary outages. Consumers shall be credited one-day's worth of service upon request for any service outage over 4 hours, and automatically for any outage over 12 hours.
- Consumers are entitled to receive at least 30 days notice prior to any changes in programming, channel line-up, rates or terms of service.
- Consumers have the right to speak with a customer service representative by telephone within a reasonable amount of time or in person and receive courteous, professional and knowledgeable assistance from such representative.
- Consistent with applicable law, consumers are entitled to request and to receive an appointment within 7 days of ordering service for a standard installation or upgrade of services.
- Consumers are entitled to the prompt repair of service interruption or television reception problems. Total loss of picture shall be repaired within 24 hours of a consumer's notification to a cable operator. All other reception problems must be repaired within 48 hours of consumer's request.
- Consumers are entitled to schedule service appointments to occur within a reasonable period of the day and not to exceed a 4-hour appointment window.
- Consumers have the right to an accurate monthly bill that contains all pertinent information including: payment due date, an itemized listing of all charges and fees and the late fee assessment date.
- Consumers have the right to disconnect service at no charge, except for the payment of any outstanding account balance.
- Consumers are entitled to have appointments honored by the cable operator. An appointment may not be cancelled by the cable operator after close-of-business of the day prior to the appointment without reasonable attempts to contact the consumer on location.
- Consumers are entitled to receive a copy of the work order describing all work performed during an appointment.
- Spanish-speaking consumers have the right at all times to speak to a Spanish-speaking service representative.